

## HOUSE JOINT RESOLUTION NO. 23

INTRODUCED BY M. JOPEK

A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA REQUESTING A LEGISLATIVE INTERIM STUDY OF THE FEASIBILITY OF A PUBLIC-PRIVATE PARTNERSHIP TO PROVIDE BASIC, CATASTROPHIC HEALTH INSURANCE POLICIES TO INDIVIDUALS WHO PARTICIPATE IN A CITIZEN PURCHASING POOL.

WHEREAS, an estimated 20% of Montana's population does not have health insurance; and

WHEREAS, the cost of health insurance coverage for an individual may be higher than for coverage under a group policy, depending on a series of variables; and

WHEREAS, not all individuals are eligible for group coverage in Montana even though many of these individuals pay state income taxes that help to provide health insurance coverage for state employees, state officers, and state legislators; and

WHEREAS, increasing the number of citizens who pay health insurance premiums may benefit all citizens if more individuals receive health insurance coverage and may thus potentially reduce any cost-shifting associated with unpaid medical bills; and

WHEREAS, the 59th Legislature wishes to build on the efforts of past Legislatures that produced a 2002 study by the Economic Affairs Interim Committee regarding access and barriers to health care in Montana and a 2003 bill that created a demonstration project allowing health insurance issuers to offer limited coverage under individual health plans or managed care plans.

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA:

That the Legislative Council be requested to designate an appropriate interim committee, pursuant to section 5-5-217, MCA, or direct sufficient staff resources to examine the feasibility of a private-public partnership in providing basic, catastrophic health insurance policies to individuals who participate in a citizen purchasing pool that is administered by the state.

BE IT FURTHER RESOLVED, that the study must:

(1) incorporate an assessment of the demonstration project provided for in 33-22-261 through 33-22-263

1 to determine the benefits of limited coverage individual health benefit plans or managed care plans on the health  
2 of participants and the financial impact on participants;

3 (2) address the feasibility, for purposes of planning, of determining how many potential participants in  
4 a citizen purchasing pool are Montana residents who:

5 (a) pay income taxes in this state; and

6 (b) are ineligible for other group health insurance plans through employers or through federal or  
7 association health insurance programs;

8 (3) determine the feasibility of developing reserves or stop-loss coverage for a citizen purchasing pool  
9 in a private-public partnership;

10 (4) determine how a reinsurance plan is affected by different levels of catastrophic coverage and  
11 different copays within the context of a citizen purchasing pool;

12 (5) determine various means of aggregating risk and avoiding adverse selection for a purchasing pool  
13 of citizens whose only common denominators are residence in Montana and income sufficient to pay Montana  
14 income taxes;

15 (6) determine the costs and efficiencies of administration by a state agency in comparison with  
16 administration by a contract as currently is done by the Montana comprehensive health association; and

17 (7) determine whether a process intended to increase the number of citizens with health insurance has  
18 the potential to positively limit the increase in health care costs for all health insurance policyholders if an  
19 increase in the number of insured individuals in Montana results in a decrease in cost-shifting in the health care  
20 industry as a result of point-of-service health care providers no longer adjusting rates for the insured and for  
21 private-pay customers to help cover the costs for those who do not pay for health care.

22 BE IT FURTHER RESOLVED, that if the study is assigned to staff, any findings or conclusions be  
23 presented to and reviewed by an appropriate committee designated by the Legislative Council.

24 BE IT FURTHER RESOLVED, that all aspects of the study, including presentation and review  
25 requirements, be concluded prior to September 15, 2006.

26 BE IT FURTHER RESOLVED, that the final results of the study, including any findings, conclusions,  
27 comments, or recommendations of the appropriate committee, be reported to the 60th Legislature.

28 - END -